

**United States Bankruptcy Court  
Eastern District of Virginia  
Alexandria Division**

**In re:**

**Blue Sky Events, LLC**

**Case No. 20-10683-KHK**

**Debtor.**

**Chapter 11**

**Hearing: June 9, 2020, 11:00 am  
Courtroom I, 2nd Floor**

**Objection to the Sale of Assets by Debtor**

Comes Now, John P. Fitzgerald, III, Acting United States Trustee for Region 4, and files this objection to the Debtor's Motion to Sell Assets Free and Clear of Liens, Claims, Interests, Or Encumbrances, docket no. 68.

The Debtor proposes to sell all its tangible assets, furniture, equipment, supplies and inventory at an auction to be conducted by the Court. The sale should not approve the sale.

The Debtor is no longer operating.

The proposed sale will generate little, if any, money for the unsecured creditors.

The Debtor's machinery, equipment, and vehicles are valued at \$77,150. This amount includes five vehicles with liens. Creditors who have claims secured by

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For Region 4  
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property to be sold total \$58,622. Assuming 10% in costs and expenses for selling the property, very little will be left for the unsecured creditors.

It is well-settled that property with little or no equity and no value to the on-going business of the Debtor should be abandoned.

Finally, there is a good faith requirement for all chapter 11 debtors. No monthly reports have been filed in this case. This failure evidences a lack of good faith. Not filing monthly reports undermines creditor confidence in the Debtor's ability (or willingness) to adhere to the reporting requirements for a sale of estate property.

The motion also does not set forth the identity of all lien holders.

May 20, 2020

JOHN P. FITZGERALD, III  
ACTING UNITED STATES TRUSTEE  
FOR REGION 4

/s/ Jack Frankel  
Jack Frankel, Attorney  
Office of United States Trustee  
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**Certificate of Service**

I hereby certify that on the 20th day of May, 2020, I e-mailed a true copy of this objection to [john@forestlawfirm.com](mailto:john@forestlawfirm.com).

/s/ Jack Frankel